



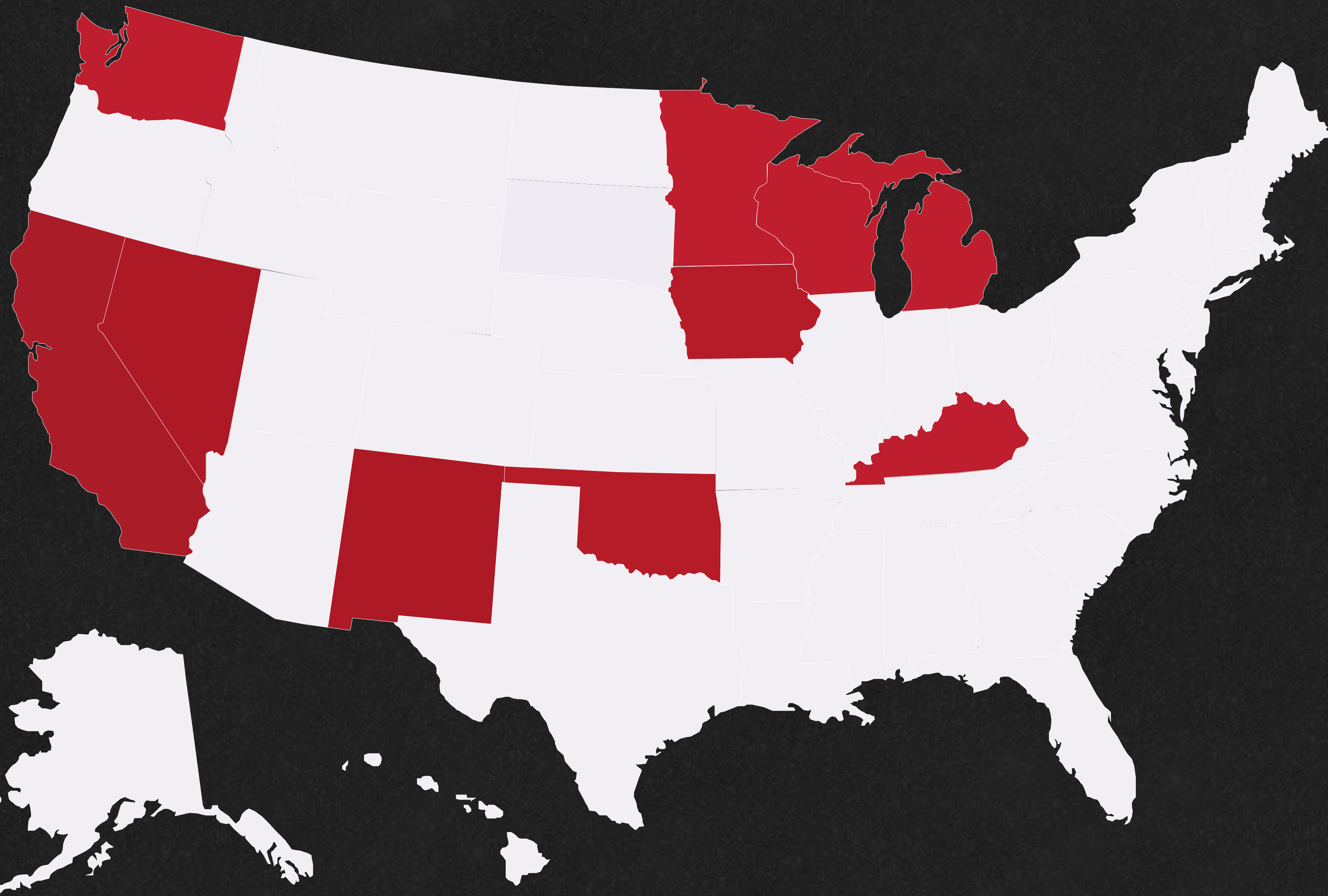
RED  
CIRCLE

# CV-19 Casino Player Behavior Study v.6

Data Sample July 13 -19, 2020



Mission: To provide a source of continually updated, player behavior information and trending in the light of CV-19's ongoing industry impact. Made possible by Red Circle's RECON casino intelligence software system.



**Data Sample Set:**

- ▶ 10 States
- ▶ 21 Casinos
- ▶ 106,000 Players
- ▶ 156,000 Visits
- ▶ \$17,400,000 Theo Win



# Executive Summary

—

During week six of this study we see volume of guests and revenue even more deeply impacted.

Across all the aggregated data we are seeing a **loss of 16.7% of revenue and 36.0% decline in players.** Individual properties range from being **up 23% to experiencing a 61% decline.**

**A property's distribution based on a distance scale is becoming the most significant metric for categorizing performance.** If a property depends on players traveling and has a hotel they are being more significantly impacted while most locals properties are prospering.



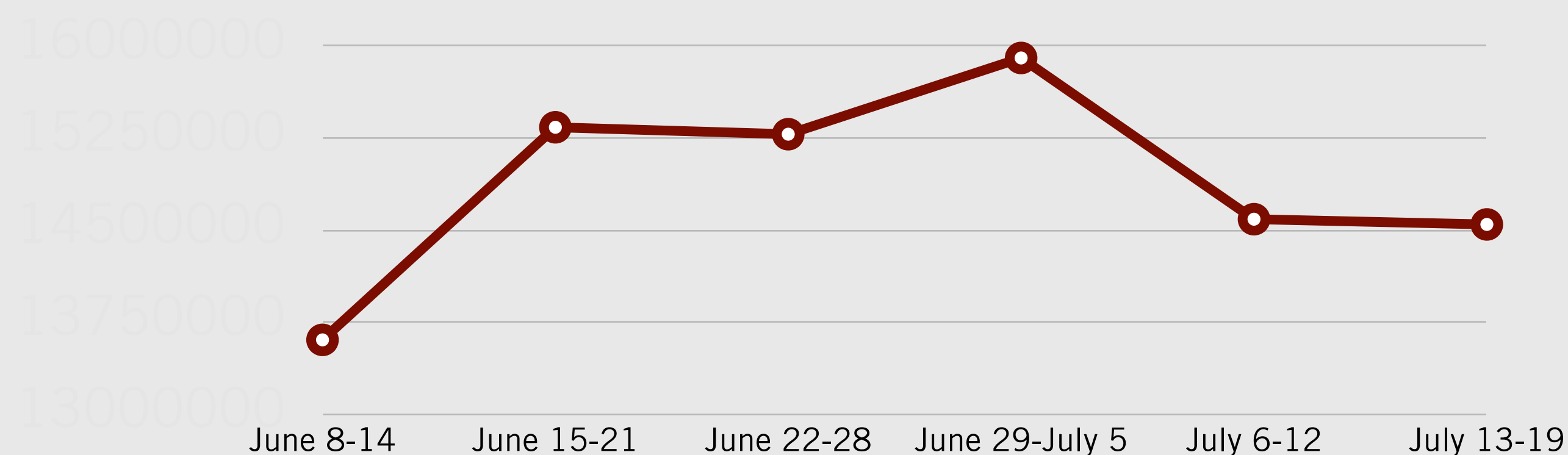
# Executive Summary

## Specific #'s

### The Methodology

We have used year over year data for this report as a way to account for natural seasonality. **The chart below represents total spending over the last six weeks.**

Week six spending was flat to spend from the previous week.





# Executive Summary

## Specific #'s

### By the numbers

Week six shows further decline in players and revenue. Player count declined **36%** year over year.

New Players are **down 49%** year over year, while ADT for a new member remains high currently **up 45%**.

During the same time frame we saw player ADT move from \$86 in 2019 to \$111 in 2020, a **29% increase in spend per visit**.

Currently we are tracking revenue at a **16.7% decline**, up from a **12% decline** in week five.



# Player analysis, demographics and revenue impact



# Definitions:

Week 1: June 8 - 14, 2020

Week 2: June 15 - 21, 2020

Week 3: June 22 - 28, 2020

Week 4: June 29 - July 5, 2020

Week 5: July 6 - 12, 2020

Week 6: July 13 - 19, 2020

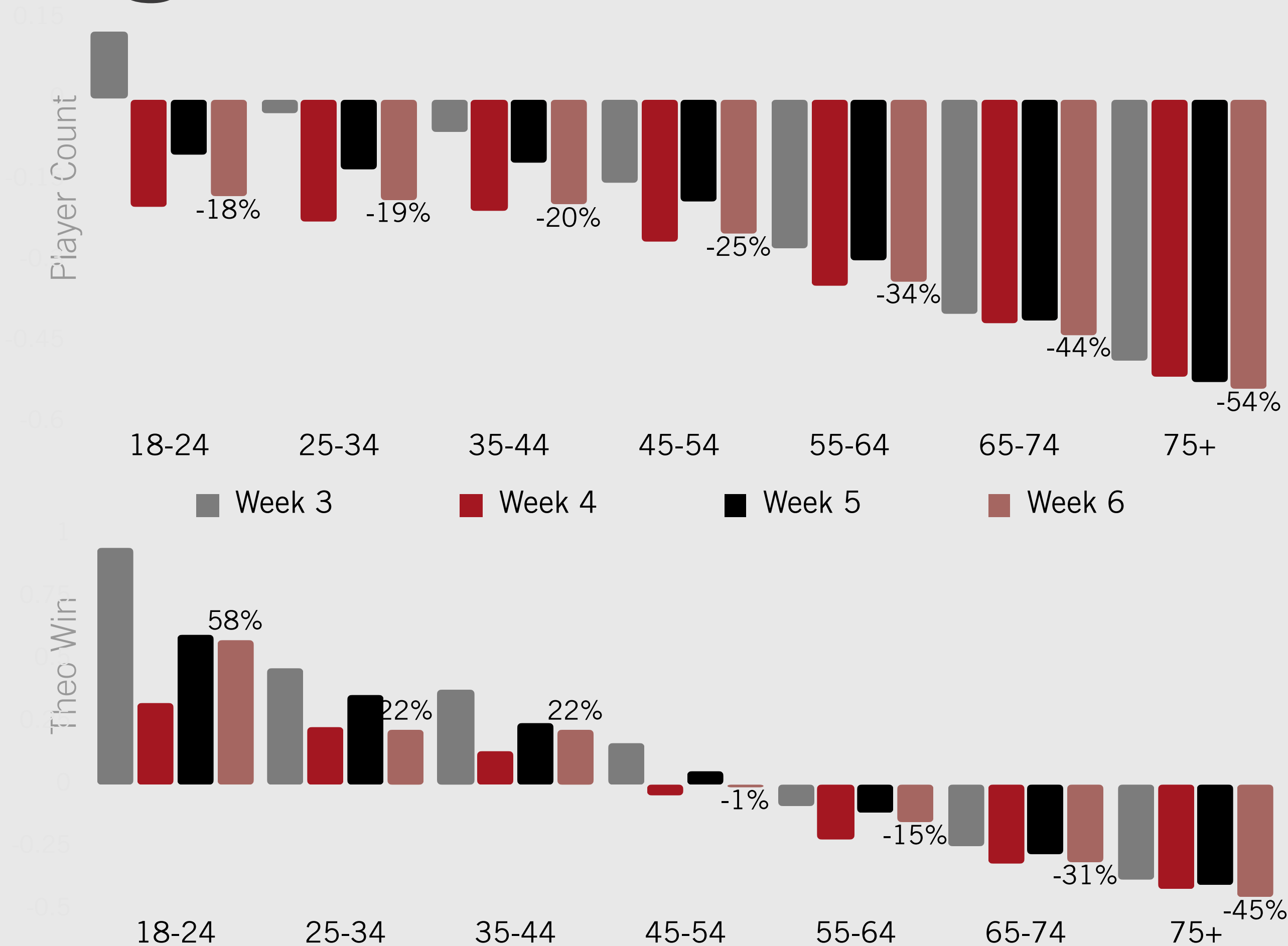
Player Analysis: Date Range 2020 vs Same Date Range in 2019

Behavior Analysis: Post COVID Weekly Performance vs Previous Play in 2020





# Age



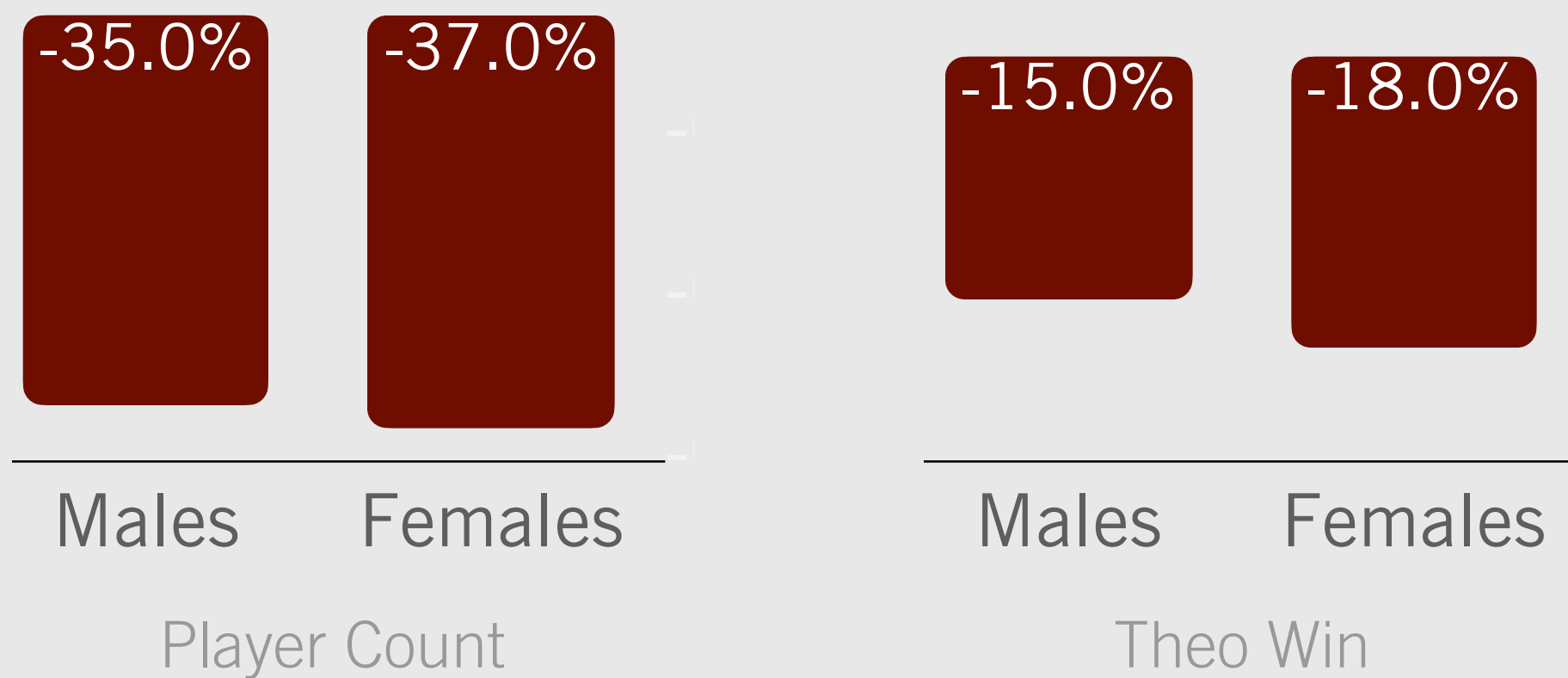
Week six produced a continued decline in players across all age groups. Despite a decline in player count, **players under age 55 continue to spend more than before.**

The 55 - 64 age group produces the **most significant revenue contribution at 28%.**

The 65 - 74 age group is contributing **23% of revenue** and is responsible for the **most significant total decline in revenue.** In week six alone players ages 65 - 74 spent **\$1,400,000 less** than the prior year.



# Gender



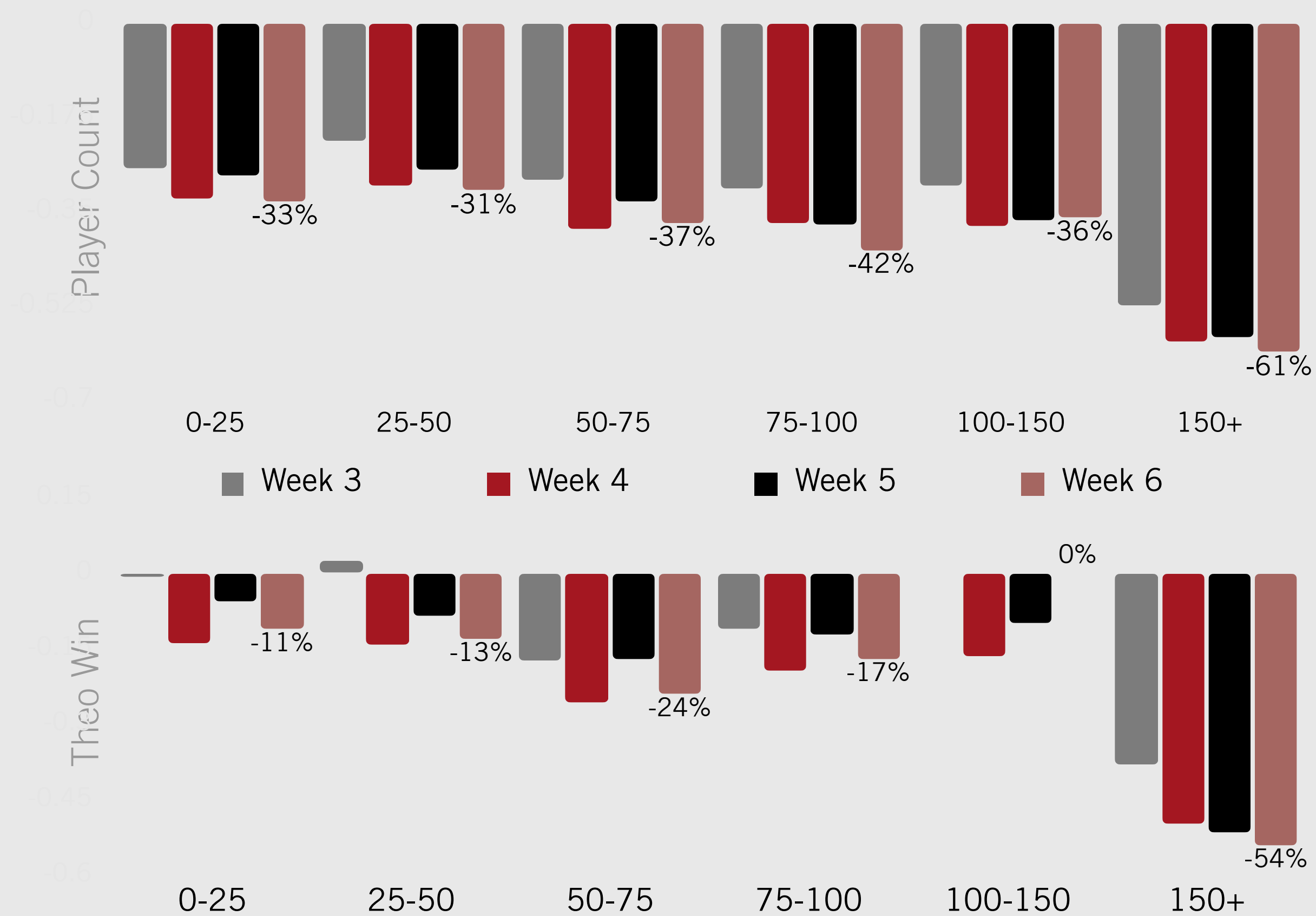
Player databases remain dominated by females. Female players represent **53% of players** and **55% of the win**.

Despite the female dominance of the database, they have been slower to return to properties and their spend has been more significantly impacted than spend from male players.

Week six shows a continued sense of caution from female players.



# Distance



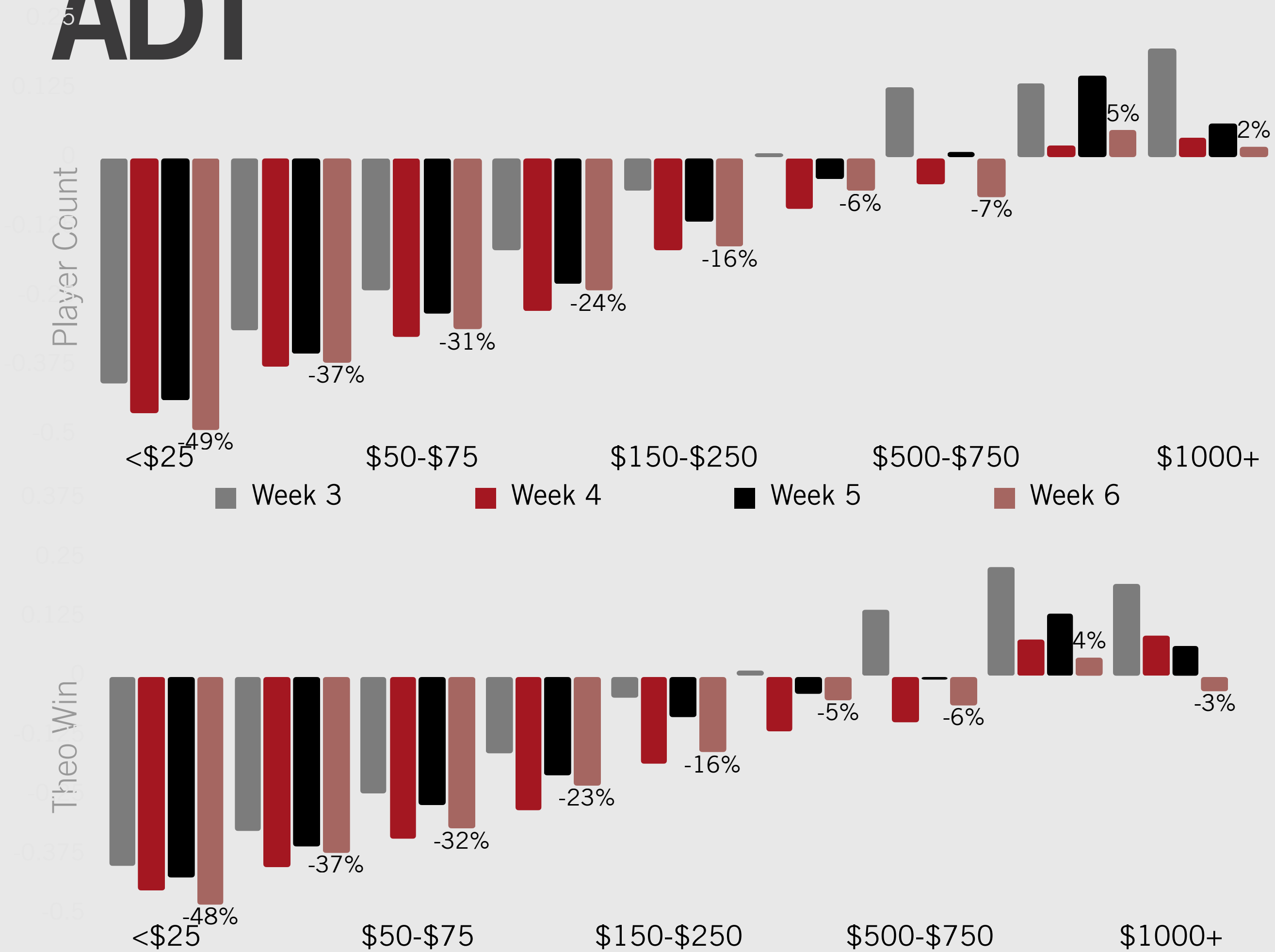
We continue to see a decline in players traveling over 150 miles. **Week six continued the trend of decline that started in week four.**

**My properties performance looks very different than this report?**

Short answer: Distance is one of the key indicators in determining total performance right now. Small local properties are doing very well, while properties that have larger resort footprints and serve markets of players that travel and stay over night are seeing the most significant decline.



# ADT



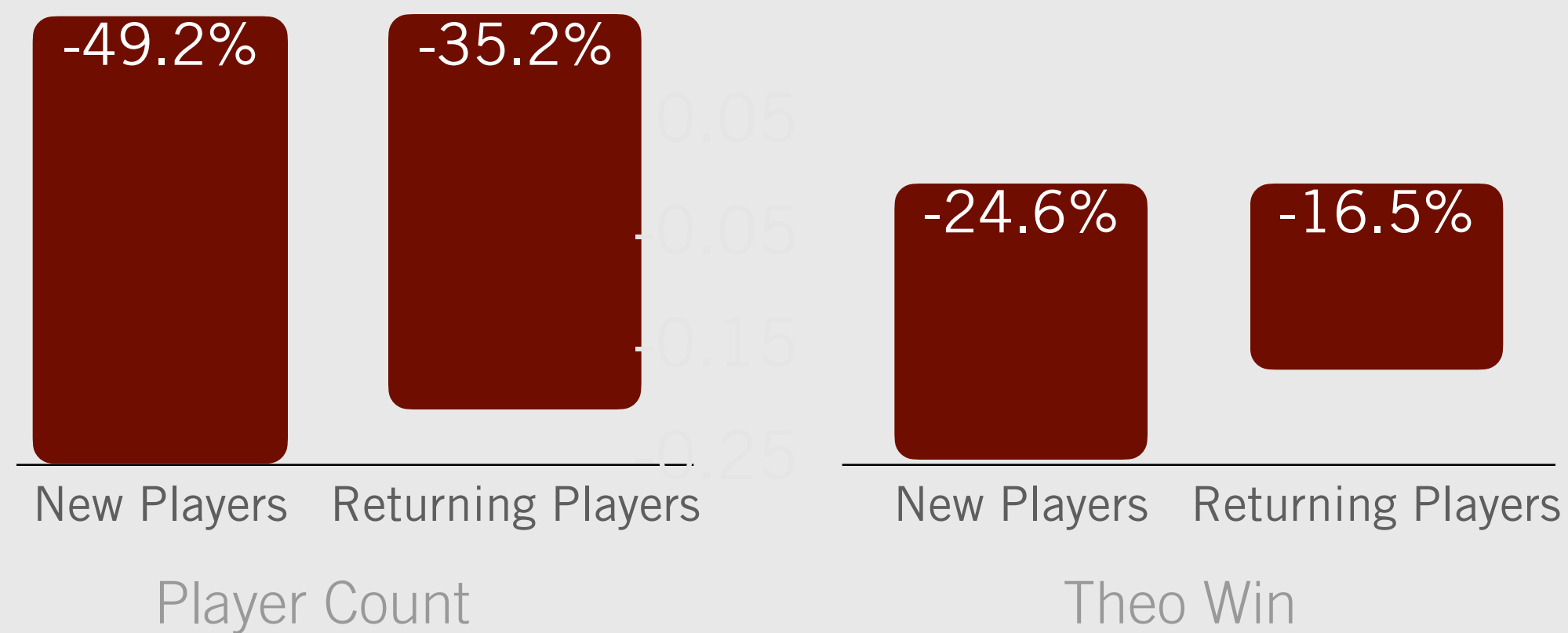
During week six **60,000 fewer players** visited a property than in 2019. Of these 60,000 players, **34,000 of them previously had an average ADT of less than \$25**. An additional 10,000 spent between \$25 and \$50.

The **casual gamer** who spends between **\$75 - \$150** per visit is the profile of player that represents the **most significant decline, a \$1,000,000 loss year over year**.

For the first week since properties reopened we see a **decline in spend from players with a \$1,000+ ADT**.



# New Players



Are new players coming into properties?

New members are down 49% in week six. **The long term impact of this decline in the player life cycle will be significant.**

We continue to report a **considerable increase in ADT for new players.** In 2019 new members had a **\$37** ADT and in 2020 post-CV19 new players are spending **\$54** on average.

**Now is the time to add a short term appealing new member sign up bonus.**



With a variance range of 61% loss to 23% gain in theo win, **who is doing well right now?**



# Hotel vs No Hotel

—

As with all casino data, there are many ways to segment the information. One of the trends we discovered lead us to **organizing the properties into two categories, those with a hotel and those without.**

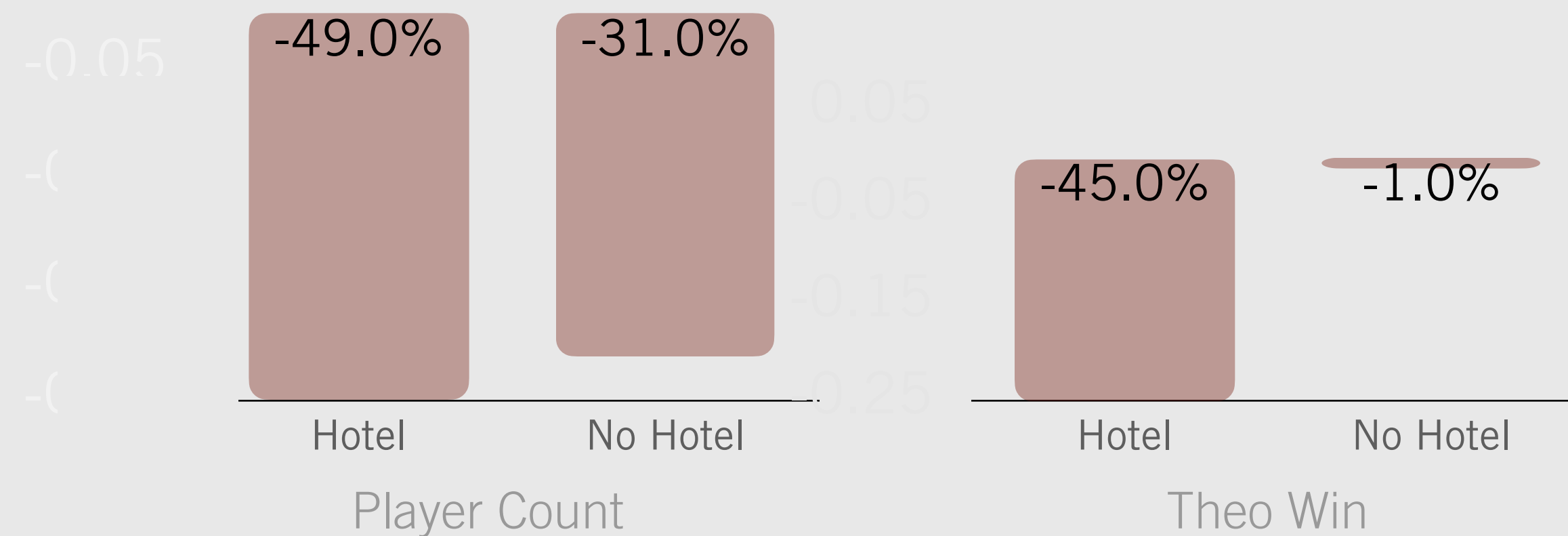
A hotel indicated an audience that has to drive a little further and spends a little more time on property each visit.

No hotel is an indicator of a more locals based market.

Let's look at the results.



# Hotel vs No Hotel



**We have a clear winner.**

While players visiting properties are down significantly in both cases, revenues at properties without a hotel are essentially flat over the same time frame last year.

**Properties with a hotel are averaging a 45% decline year over year.**



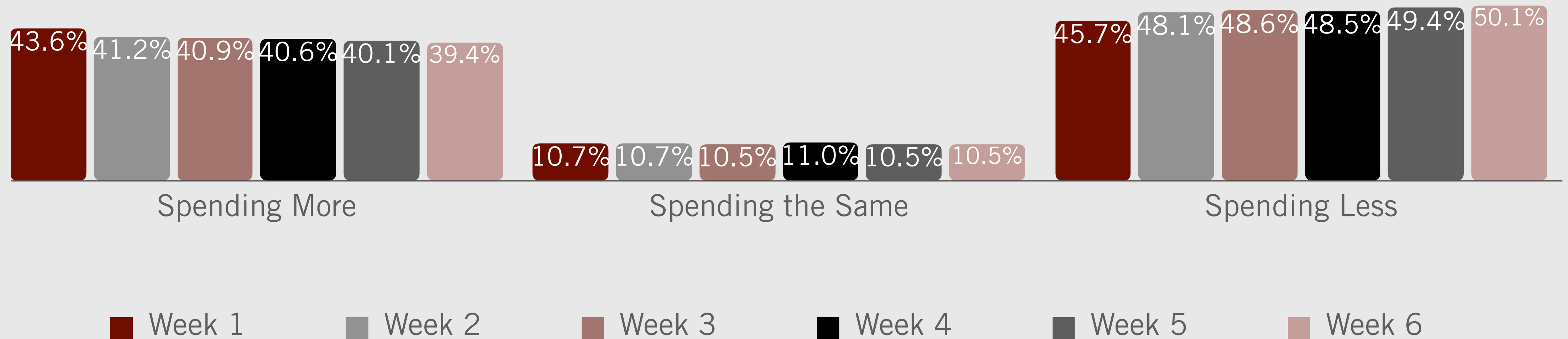


Player Behavior, **Less, more or the same?**



# Spending Patterns

1





# Some Players Are Spending **More**

—

**39.4% of players are spending more** than they were in the 3-months before the shutdown. These players are currently contributing **64.46% of casino revenue.**

Comparing week one to week six of this study we have seen a **4.2% decline** in players who are spending more.

Short-term programs should be utilized to capitalize on this opportunity, as their behavior will likely change.



# Some Players Are Spending The Same

—  
**10.5% of players are spending the same** as they were in the 3-months before the shutdown.

These players are currently contributing **10.77% of casino revenue**. The contribution from these players has remained consistent for the last six weeks.

Direct mail reinvestment levels should be closely monitored as this suggests that only **10.5% of players** are currently exhibiting their typical behavior.



# Some Players Are Spending Less

—

**50.06% of players are spending less** than they were in the 3-months before shutdown.

These players are contributing **24.77%** of casino revenue.

**A return to pre-COVID normal will take time.** Continuing to monitor and adjust will be key to maximizing revenue.



# What Next?

For the first time in recent memory Historical player data may **not be the best predictor** of a players future worth.

As we look at player life cycles, the 49% decline in new members will take its toll in the future. New players are spending more than ever before, this is the time for an aggressive new member campaign.

While week six had a double digit decline, overall total spending coming in flat to week five is a positive indicator.





**Now more than ever, nothing should  
be “Set it and forget it.”**



Look for this Red Circle player behavior study each week. Adjust your business practices as each weeks data reveals new trends.





# Red Circle's Mission & Purpose



We want to advantage our clients in the marketplace, to help them make **data-driven decisions that are more efficient, more effective.**

- ▶ Casino-experienced staff
- ▶ Proprietary casino marketing software systems



# Red Circle, Built To **Deliver** **Value**

—  
Casino-only, full-service creative +  
media specialists, 9 former in-casino  
marketing staff in full-time positions

Unique value-driving casino  
marketing technology

19 years, 50 people, offices in  
Minneapolis, MN,

125+ casinos

Native-owned

# Walter Boyd, Give him a call.

RED CIRCLE AGENCY  
CLIENT ADVOCATE

—  
NORMAN, OK

—  
CASINO  
MARKETING  
DIRECTOR  
2 YRS

—  
BLACKHAWK  
CASINO

walter.boyd@redcircleagency.com  
(c) 405-585-9028

**Miiigwech**

Thank You

